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Implementation of the Almaty Programme of Action: Addressing the Special Needs of Landlocked Developing Countries within a New Global Framework for Transit Transport Cooperation for Landlocked and Transit Developing Countries

Report of the Secretary-General

Summary

The present report is submitted pursuant to General Assembly resolution 67/222, in which the Assembly requested the Secretary-General to submit to it at its sixty-eighth session a report on the implementation of the Almaty Programme of Action: Addressing the Special Needs of Landlocked Developing Countries within a New Global Framework for Transit Transport Cooperation for Landlocked and Transit Developing Countries and on the progress made in the preparatory process for the comprehensive 10-year Review Conference on the Implementation of the Almaty Programme of Action.

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I. Introduction

1. The Almaty Programme of Action: Addressing the Special Needs of Landlocked Developing Countries within a New Global Framework for Transit Transport Cooperation for Landlocked and Transit Developing Countries was adopted in 2003 as the United Nations response to the growing need to address the special development challenges faced by the 31 landlocked developing countries. The present report provides an update on the implementation of the Almaty Programme of Action, focusing on the key priority areas and on the status of the preparatory process for the comprehensive 10-year Review Conference on the Implementation of the Almaty Programme of Action, to be held in 2014. The report concludes with policy recommendations and has a statistical annex.

II. Overview of development challenges faced by landlocked developing countries and recent developments in economic and social conditions

2. Their lack of direct territorial access to the sea, remoteness and isolation from major international markets make the landlocked developing countries highly dependent on transit countries for their seaborne trade. They also face additional border crossings, cumbersome transit procedures, inefficient logistics systems, weak institutions and poor infrastructure, all of which substantially increase the total costs of transport services and other trade transaction costs. These high costs create a tremendous trade-reducing effect that has a direct negative impact on the countries' economic growth and, consequently, on their capacity to promote social development and environmental sustainability.

3. Landlockedness hinders full participation in international trade and minimizes comparative advantage. In a recent study, the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States used econometric methods to empirically estimate the total development cost, including the economic and social dimensions, of being landlocked. The study revealed that, because of landlockedness, the level of development in the landlocked developing countries was, on average, 20 per cent lower than what it would be if the countries were not landlocked. In 2010, the trade volume of the landlocked developing countries was just 61 per cent of the trade volume of coastal countries, while the transport costs of the landlocked developing countries were 45 per cent higher than those of a representative coastal economy. In its publication *Doing Business 2013: Smarter Regulations for Small and Medium-Size Enterprises*, the World Bank estimated that the basic import and export costs of the landlocked developing countries were nearly twice those of their transit neighbours. The landlocked developing countries spent, on average, $3,040 to export a standardized container of cargo, whereas transit countries spent $1,268. Likewise, it cost the landlocked developing countries $3,643 to import a similar container of merchandise and their coastal neighbours only $1,567 (see table 2).

4. The geographical problems facing the landlocked developing countries are further exacerbated by emerging challenges, including external shocks. When the great recession bottomed out in 2009, it left the gross domestic product growth rate for the landlocked developing countries at 3.6 per cent, substantially below the

decade-long average of 6.1 per cent. In 2010, output rebounded strongly to 6.7 per cent, only to decelerate once again to 6 per cent in 2011. The slowdown in economic output was expected to persist, with the rate of growth for 2012 projected at 4.9 per cent. While real gross domestic product per capita increased slightly from $1,347 in 2010 to an estimated $1,464 in 2012, the pace of growth decelerated for the third consecutive year. Nearly two thirds of the landlocked developing countries have a gross domestic product per capita that is below $1,000.

5. The slowdown of the gross domestic product growth rate in 2012 reflects the contagion effects associated with the persistent sovereign debt crisis in the euro zone, the double recession in major economies and anaemic global demand for commodities, especially in the United States of America, Japan and Europe. Emerging challenges, coupled with a deterioration of the current crises, including delays in resolving the core problems, are likely to lead to a worsening of the balance sheets of Governments and commercial banks, including those in the landlocked developing countries. While the gross domestic product of the landlocked developing countries is forecast to continue expanding, it is unlikely to reach the pre-crisis pace set in 2008 in the near future.

6. Total value addition from agriculture, manufacturing and exports of goods and services continues to diminish. In the case of agriculture, for example, value addition is estimated to have declined from 22.8 per cent in 2001 to 18.2 per cent in 2011. Measured as a percentage of the annual gross domestic product of the landlocked developing countries, the manufacturing value added — a basic indicator of the level of industrialization — has declined by 36 per cent, from a peak of 18.1 per cent in 1992 to 11.5 per cent in 2011. Indicative of the geographical disadvantage, that manufacturing collapse was worse for the landlocked developing countries than for a comparable group of transit developing countries, which sustained only a 7.5 per cent contraction over the same period. Besides slowing down economic diversification, deindustrialization undermines productive capacity and reverses structural transformation, isolating the landlocked developing countries further. It also prevents their effective and meaningful participation in global value chains and international trade.

7. Headline inflation for the group continues to manifest wild swings. After climbing rapidly from 5.9 per cent in 2010 to 10.0 per cent in 2011, it moderated to an estimated average of 7.3 per cent in 2012. It remains, however, in the double-digit range for six countries: Burundi, Ethiopia, Malawi, Mongolia, Uganda and Uzbekistan. The root causes include increased food prices caused by poor grain harvests, rising utility prices and spillover effects of expansionary fiscal policies in other countries.

8. Although the landlocked developing countries are making some progress towards the attainment of the Millennium Development Goals, there is growing evidence that the group will not achieve many of the Goals by 2015. Successful interventions include those to promote the survival rates of children in landlocked developing countries. The group-wide mortality rate for children under 5 years of age has significantly declined, falling from a high of 121.5 per 1,000 live births in 2000 to 80.9 per 1,000 live births in 2011. Formidable challenges persist, however, because 15 countries continue to have mortality rates in excess of 150 per 1,000 live births.

9. Women's empowerment, as approximated by the share of women in parliaments, has increased, rising from 8.4 per cent in 2000 to 20.2 per cent in 2012. Progress in narrowing the gender gap in education has been modest, with the ratio of women to men with at least secondary education improving from 0.6 in 1990 to 0.7 in 2010. There has, however, been limited success in improving the ratio of female to male labour force participation. For countries with data, that ratio is estimated to have stagnated at 0.8 since 2000.

10. While building on the existing Millennium Development Goals, and keeping a strong focus on poverty reduction and human well-being, it is important to ensure that the needs of the landlocked developing countries are securely embedded in the new development agenda. In the context of the post-2015 development discussions, emphasis should be laid on sustainable development capable of creating sufficient decent jobs and on addressing social and human issues, including geographical and gender inequalities. Furthermore, the new development agenda should support structural transformation, build resilience and mitigate the effects of climate change, land degradation, desertification and other natural disasters.

III. Status of implementation of the priorities of the Almaty Programme of Action

A. Fundamental transit policy issues

11. Studies indicate that a significant proportion of trade transaction costs is linked to soft infrastructure: border-crossing procedures, policies, laws, transit procedures, logistics and regulatory regimes. For example, in an analytical study covering Europe and Asia, the International Road Transport Union (IRU) demonstrated that, while road shipments were technically feasible and commercially viable, they were seriously constrained by the absence of harmonized procedures and regulations at borders, numerous checkpoints, outdated border-crossing points, inappropriate customs formalities and controls and cumbersome visa processes for drivers. IRU estimated that some 40 per cent of transport time was lost at borders, while unofficial payments accounted for 38 per cent of transport costs in the region.

12. Ratification and effective implementation of relevant international conventions and agreements on transit transport and border crossing by landlocked developing countries and transit countries are necessary for simplifying, harmonizing and standardizing transit operations. Such instruments therefore play a significant role in reducing transit delays and costs. Of the more than 50 United Nations conventions on international transport and trade facilitation, 7 are especially relevant to transit trade and border crossing for landlocked developing countries. The status of accession to these key conventions has been slow, as shown in table 1. Special emphasis should be laid on supporting the landlocked developing countries and transit developing countries to become parties to these important legal instruments.

Table 1
Status of accession to or ratification of selected United Nations conventions by landlocked developing countries and transit countries as at January 2013

Convention	*Number of landlocked developing countries*	*Number of transit countries*
Convention on Road Traffic (1968)	13	12
Convention on Road Signs and Signals (1968)	8	9
Customs Convention on the International Transport of Goods under Cover of TIR Carnets (1975)	11	5
Customs Convention on the Temporary Importation of Commercial Road Vehicles (1956)	5	3
Customs Convention on Containers (1972)	6	3
International Convention on the Harmonization of Frontier Controls of Goods (1982)	11	3
Convention on the Contract for the International Carriage of Goods by Road (1956)	10	2

Source: www.unece.org/trans/conventn/legalinst.html.

13. A number of subregional transport facilitation agreements relating to transit and landlocked developing countries have recently been developed in Asia to support trade and integration. The negotiation of the annexes to the Agreement between the Governments of the Shanghai Cooperation Organization Member States on Facilitation of International Road Transport was concluded in March 2012. In 2013, the Intergovernmental Agreement on Dry Ports was adopted by the Economic and Social Commission for Asia and the Pacific in its resolution 69/7. African countries are also making progress in elaborating an intergovernmental agreement to underpin the Trans-African Highway, with agreement on the text expected later in 2013.

14. Bilateral agreements remain the predominant tool for road transport transit facilitation, even in areas in which regional integration is high. They are needed to implement local provisions such as common procedures and opening hours of border posts. In a recent study, however, the World Bank reviewed more than 70 bilateral agreements on road freight transport, concluding that over-elaborate bilateral treaties could even be counterproductive because they introduced rigidity in implementation, deviated from international best practices or could be defending vested interests. In such situations, bilateral agreements reduced efficiency and increased the cost of international road transport services. The Bank suggested that States should be supported to adopt a more comprehensive approach when formulating bilateral agreements.

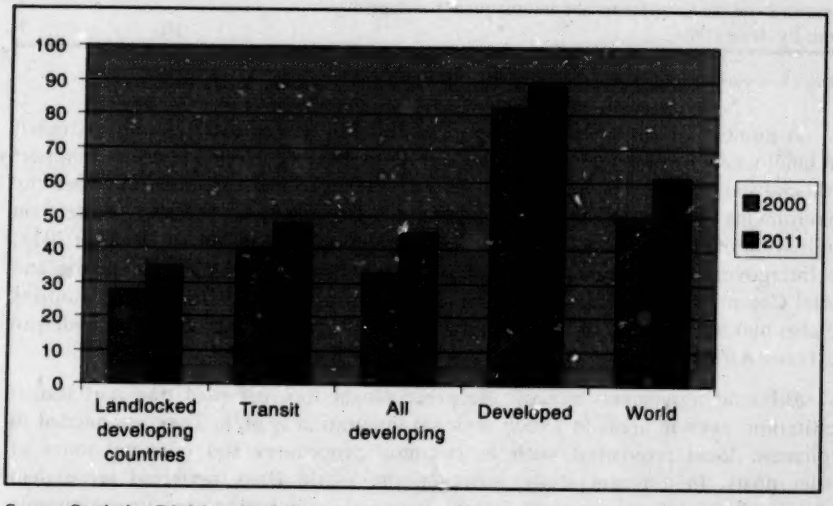
15. Landlocked developing countries and transit countries have increasingly been implementing measures that considerably reduce transaction costs and delays at border-crossing points through the harmonization of customs procedures, rules and documentation. Some of the measures implemented include the introduction of modern electronic applications into the TIR system, the use of the Automated System for Customs Data, one-stop border posts, third-party motor insurance schemes and removal of roadblocks. Many landlocked developing countries have introduced or are planning to introduce single-window systems, including Armenia, Azerbaijan, Burkina Faso, Kazakhstan, Kyrgyzstan, the Lao People's Democratic Republic,

Mongolia, Nepal, Paraguay, the Republic of Moldova, Rwanda, Tajikistan, Uganda, Uzbekistan and Zambia. Several countries have reported positive economic results from the implementation of such systems.

B. Infrastructure development and maintenance

16. The percentage of paved roads in the landlocked developing countries has improved since 2000 but remains low, with only nine countries having more than 50 per cent and eight countries having between 20 and 49 per cent of their roads paved. When compared with other groups of countries, landlocked developing countries have the lowest percentage of paved roads, followed by transit developing countries, as shown in figure I.

Figure I
Percentage of paved roads



Source:Statistics Division database.

17. In Asia, continued progress has been made in the development and upgrading of both the Asian Highway and the Trans-Asian Railway networks. While some 30 per cent of the Asian Highway roads in landlocked developing countries have been improved to a higher standard since 2004, 18 per cent do not meet the minimum standards. The Trans-Asian Railway network covers more than 117,000 km and some progress has been made in improving it by closing some of the missing links. The main challenges, however, remain those of closing the missing links, which constitute 9 per cent of the network, and of harmonizing various infrastructure standards, including railway gauges. According to estimates by the Asian Development Bank, an amount of $290 billion is required each year from 2010 to 2020 to close the transport infrastructure gap in Asia.

18. In Africa, major improvements have been made to the Trans-African Highway, which has nine corridors and a total length of 54,120 km. It is, however, characterized by missing links and poor maintenance in key segments. To provide a

meaningful level of continental connectivity, some 100,000 km of regional roads are required. The African railway network, which is 74,775 km in length and located mostly in north and southern Africa, has extremely low density and various technical standards. New railway development projects, pursued within the framework of the Union of African Railways, which advocates the construction of standard-gauge railways, are under way.

19. The Programme for Infrastructure Development in Africa estimated that some $24.4 billion was needed to finance road and railway transport infrastructure projects that could be implemented under the priority action plan for 2012 to 2020. In 2010, the World Bank estimated that $93 billion per annum was required over the coming 10 years to bridge the infrastructure gap (including transport, energy, water and information and communications technology) in Africa.

20. In South America, the strategic action plan for 2012 to 2022 of the South American Infrastructure and Planning Council has the objective of updating the portfolio of projects for the integration of regional infrastructure in South America. Of an approved portfolio of 531 projects in the fields of transport, energy, and communications with an estimated investment of $116 billion, 159 projects worth $52 billion are under way, another 309 projects worth $53.7 billion are being evaluated and 63 projects have already been carried out. The Council has also indicated a commitment to developing a regional fibre-optic network to improve communications and reduce costs.

21. The development of road and rail networks should be supplemented by the simultaneous development of roadside and railside support infrastructure. Ancillary infrastructure will ensure not only road and rail safety, but also the involvement of local businesses in services along highways and railway networks, thereby resulting in the creation of development corridors. Continued progress is being made in the establishment of dry ports in landlocked developing countries in all regions.

22. With regard to air transport, the use of cargo airfreight has increased in some landlocked developing countries, albeit held back by higher fuel prices. Demand is also limited by cost, given that airfreight is typically priced between 4 and 5 times that of road transport and between 12 and 16 times that of sea transport. In addition, the air transport industry continues to face challenges in most landlocked developing countries because it requires significant resources for infrastructure investment, modernization and maintenance. These challenges limit shipment by air of goods of high value per unit or that are time sensitive in nature, such as documents, pharmaceuticals, fashion garments, electronic consumer goods and perishable agricultural and seafood products.

23. Landlocked developing countries have made remarkable progress in mobile telephony and Internet usage, as shown by an increase of 15 per cent and 24 per cent, respectively, from 2010 to 2011 (see annex, table 6). This recent progress notwithstanding, landlocked developing countries lag behind other developing countries in terms of broadband Internet access, even though this technology can play a crucial role in increasing connectivity, boosting enterprise competitiveness and facilitating international trade. The priorities for improving information and communications technology in the landlocked developing countries include improving access to high-capacity submarine fibre-optic cable networks for low-price international voice services and higher-speed Internet access and laying

high-bandwidth backbone networks to connect towns and cities within countries, across borders and to international submarine fibre-optic cable networks.

24. Reliable, modern and affordable energy infrastructure is vital for reducing delays in transit time for consignments and for building productive capacity in landlocked developing countries. Landlocked developing countries vary widely in terms of rates of electrification. Even though marked improvements in electrification have been seen over the past decade, there remains a long way to go before basic energy infrastructure needs are fulfilled in most such countries. Furthermore, the most recent data show that African countries endured, on average, 8.6 power outages per month in 2012. Such outages are due largely to the lack of regional interconnectivity of electricity grids and electricity shortages in affected countries.

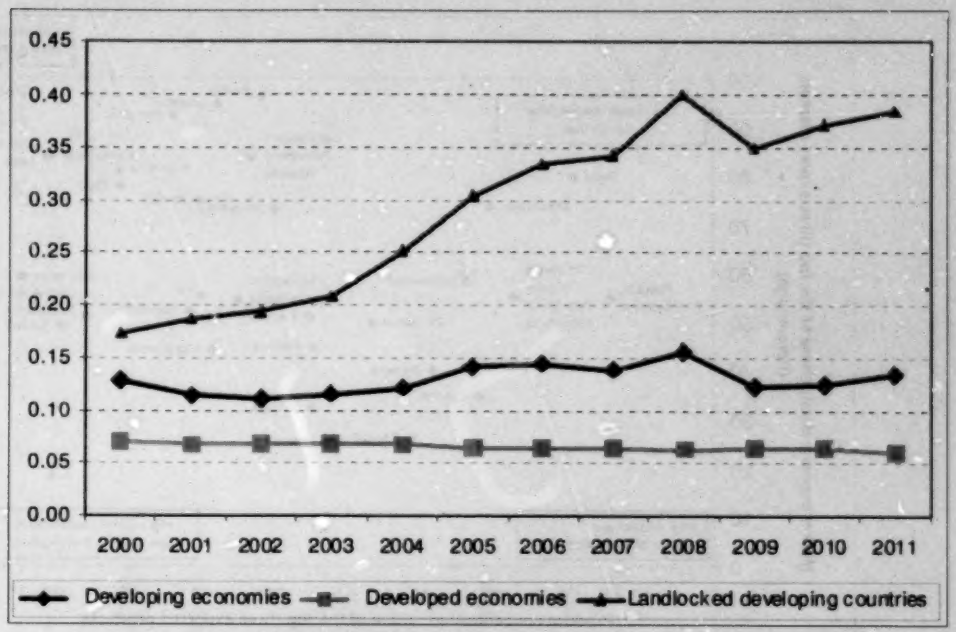
25. The public sector alone cannot close the infrastructure financing gap. Such closure requires forging subregional and regional cooperation on infrastructure projects, strengthening national budgets and international development assistance and enhancing the role of the private sector in infrastructure development. It is also important to explore innovative financing mechanisms, including the use of public-private partnerships, infrastructure bonds and diaspora bonds. Landlocked and transit developing countries should also consider implementing multi-sector infrastructure-sharing initiatives (e.g. in terms of roads, power and communications) so as to reduce financing requirements.

C. International trade and trade facilitation

26. After declining sharply in 2009, merchandise exports from landlocked developing countries grew by 31 and 36 per cent in 2010 and 2011, respectively, rebounding strongly to reach a record high of $224 billion. Exporters of fuel and minerals from landlocked developing countries experienced the largest gains. Growth in exports is, however, estimated to have slowed in 2012. Imports by landlocked developing countries increased by 23 per cent in 2011. Although the terms of trade for landlocked developing countries have generally improved since 2003, seven countries have experienced a deterioration.

27. Landlocked developing countries continued to be marginalized from world trade, although their share in world exports doubled from 2003 to 2011 to reach 1.2 per cent. Nonetheless, more than half of the group's exports originated in just two countries. The export structure of landlocked developing countries continues to be characterized by reliance on a limited number of export products, in particular raw agricultural and mining commodities, as seen in increasing export concentration ratios (see figure II). For example, primary commodities alone constitute more than 80 per cent of exports from 10 African landlocked developing countries. In 2011, just three export products represented more than 70 per cent of exports from 11 landlocked developing countries (see figure III).

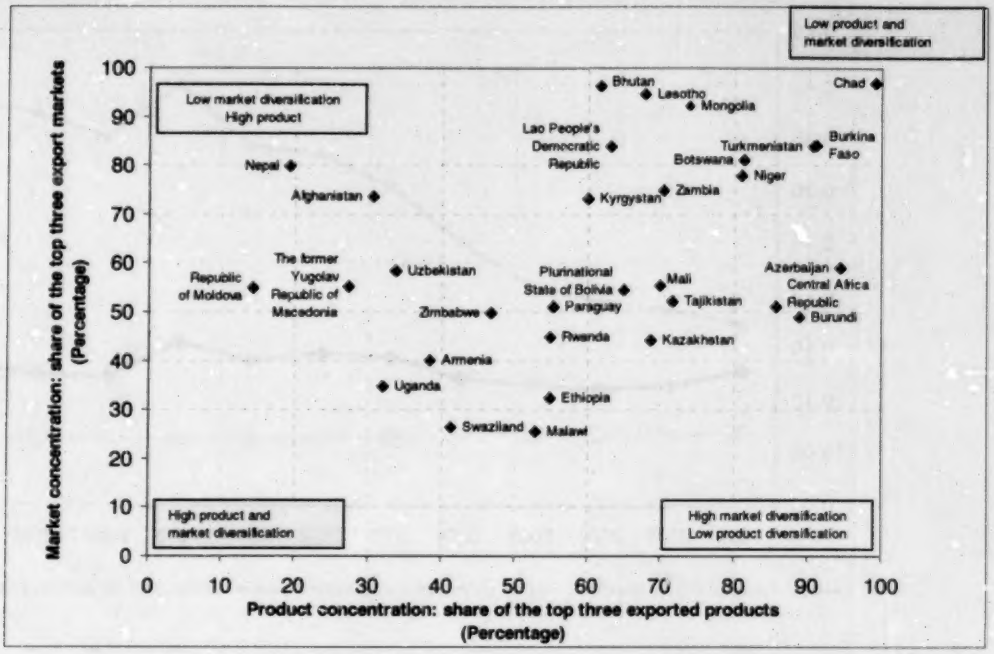
Figure II
Export concentration index of landlocked developing countries and other country groups, 2000-2011



Source: United Nations Conference on Trade and Development (UNCTAD) statistical database.

28. In addition to limited export product diversification, landlocked developing countries are also characterized by limited export market diversification, as can be seen in figure III. On average, 62 per cent of exports of landlocked developing countries were destined for just three markets, compared with 48 per cent for transit countries.

Figure III
Product and market diversification of exports of landlocked developing countries, 2011



Source: International Trade Centre trade map.

29. The services sector holds great potential for economic diversification for landlocked developing countries because it is less affected by geographical constraints. The value-added share of the services sector in the gross domestic product of landlocked developing countries has increased, moving from 36 per cent in 1992 to 43 per cent in 2011. Exports of services have been on an upward trend in most landlocked developing countries. Policies aimed at diversifying such countries' exports and economies in favour of low-bulk and value-adding products and services such as tourism, information and communications technology services, finance and banking are critical to reducing the costs of trade and vulnerability to shocks, including commodity price fluctuations. They would also help to link landlocked developing countries to value chains, ultimately providing an important avenue for building productive capacity.

30. With the growing interlinkages in world trade, investment and production, global value chains account for a rising share of international trade. Linking to such chains can facilitate greater integration into world markets and allow landlocked developing countries to become important links in the production and distribution chain. Available evidence indicates that increased participation in global value chains is associated with swifter growth, greater productivity and employment creation and can be a significant avenue for building productive capacity through technology and skills transfer.

31. Major developed countries and more advanced developing countries continue to extend favourable preferential tariff treatment to exports from landlocked developing countries. With the gradual fall in most tariffs, non-tariff measures have become more significant barriers for landlocked developing countries than tariffs. According to surveys conducted by the International Trade Centre, between 60 and 75 per cent of exporters in Burkina Faso, Malawi, Paraguay and Rwanda are affected by non-tariff measures. Enhancing national capacity to reduce the effects of non-tariff barriers should be a priority for landlocked developing countries in order to improve market access and participation in global value chains.

32. Trade facilitation has become the most important trade policy instrument for landlocked developing countries to achieve gains from international trade. Many such countries have made efforts to enhance trade facilitation, yet 8 of the 10 countries in which trading across borders is most difficult are landlocked developing countries. With regard to exporting and importing, landlocked developing countries lag behind their transit partners in terms of transit time and cost (see table 2). While the average transit time for landlocked developing countries decreased from 2006 to 2013, wide variations remain. Further efforts are required to ensure swifter and less expensive trade across borders, including by further harmonizing customs, border and transit procedures and formalities.

Table 2
Ease of trading across borders, 2006 and 2013

	Number of documents required for exports		*Transit time for exports (days)*		*Cost to export (United States dollars per container)*	
	2006	*2013*	*2006*	*2013*	*2006*	*2013*
Average landlocked developing countries	9	8	48	42	2 207	3 040
Average transit countries	8	8	30	23	1 004	1 268

	Number of documents required for imports		*Transit time for imports (days)*		*Cost to import (United States dollars per container)*	
	2006	*2013*	*2006*	*2013*	*2006*	*2013*
Average landlocked developing countries	11	10	57	48	2 688	3 643
Average transit countries	10	8	38	27	1 282	1 567

Source: World Bank "Doing business" database.

33. At the global level, the early conclusion of the World Trade Organization (WTO) agreement on trade facilitation that is currently being negotiated could have a major impact on landlocked developing countries. The core mandate of the negotiations is to clarify and improve the following articles of the General Agreement on Tariffs and Trade: article V, on freedom of transit; article VIII, on fees and formalities connected with importation and exportation; and article X, on publication and administration of trade regulations. The future agreement has the potential to bring specific benefits to landlocked developing countries by way of

easing cumbersome border and customs procedures, lowering transit and transaction costs, increasing predictability and expediting the movement, release and clearance of goods.

34. The most recent draft consolidated text on trade facilitation (TN/TF/W/165/Rev.16, dated 31 May 2013) contains detailed provisions that, once agreed upon, would reinforce the principle of freedom of transit by ensuring that charges, regulations and formalities relating to goods in transit are non-discriminatory and do not constitute disguised restrictions on trade, that any charges applied are reasonable and calculated based on the actual cost of services rendered and that goods in transit are not subject to additional customs duties and technical standards. Furthermore, the agreement would mandate the implementation of certain trade facilitation measures to expedite the release and clearance of goods, such as separate infrastructure for traffic in transit, advance filing and processing of documentation and use of single windows, while prohibiting measures that hinder the flow of goods, such as further controls while in transit and the use of convoys. The agreement would also put in place increased transparency of regulations affecting goods in transit and increased cooperation and coordination.

35. WTO states that a trade facilitation agreement could bring down the global cost of moving trade from roughly 10 per cent of trade value to 5 per cent. The Organization for Economic Cooperation and Development has estimated that trade costs for landlocked developing countries could be reduced by as much as 16.4 per cent. Accordingly, it is important that landlocked developing countries actively participate in WTO trade facilitation negotiations and ensure that their special needs are reflected.

36. In 2013, two landlocked developing countries, the Lao People's Democratic Republic and Tajikistan, became members of WTO. Afghanistan, Ethiopia and Kazakhstan are in the advanced stages of the accession process, while Azerbaijan, Bhutan and Uzbekistan are at various, less-advanced stages of the process. Overall, seven landlocked developing countries are yet to accede to WTO.

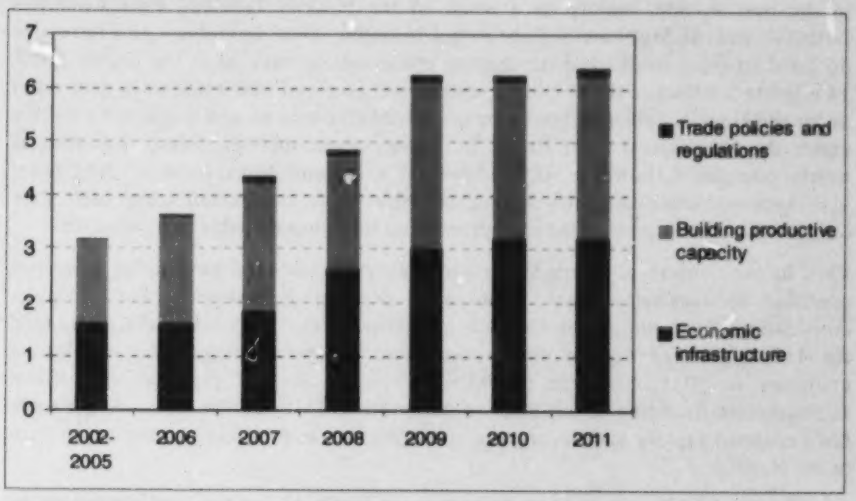
D. International support measures

37. After rising by 60 per cent in real terms from 2003 to 2010, official development assistance flows to landlocked developing countries fell by 3.3 per cent in 2011 to $25.7 billion. This decrease in aid could threaten development expenditure in aid-dependent landlocked developing countries. Official development assistance exceeded 10 per cent of gross national income in 7 landlocked developing countries in 2011, compared with 11 in 2010. Official development assistance receipts are concentrated in a few countries.

38. Aid for Trade to landlocked developing countries reached $6.4 billion in 2011, a 70 per cent real increase since 2005. The inflows largely levelled off in 2010 and increased only marginally in 2011, however. Most flows are directed towards economic infrastructure and building productive capacity (see figure IV). Assistance targeted towards transport and storage has increased, rising from $1.2 billion in 2007 to $2 billion in 2011, and has on average accounted for about one third of total Aid for Trade disbursements. Given the particular infrastructure and trade-related needs of landlocked developing countries, more financial assistance should be

provided to help them to meet the priorities of the Almaty Programme of Action and to join value chains.

Figure IV
Aid for Trade disbursements to landlocked developing countries, 2011
(Billions of constant United States dollars)



Source: Organization for Economic Cooperation and Development creditor reporting system database.

39. Foreign direct investment inflows to landlocked developing countries reached $34.6 billion in 2012, up from just $8.9 billion in 2003. They accounted for only 5 per cent of total inflows to the developing world in 2012. A handful of resource-rich landlocked developing countries continue to dominate the inflows, with Azerbaijan, Kazakhstan, Mongolia and Turkmenistan accounting for more than two thirds. On the other hand, inflows to 15 African landlocked developing countries represented 19 per cent of foreign direct investment inflows to landlocked developing countries in 2012. A total of 16 landlocked developing countries recorded declines in inflows, 5 of them for the second consecutive year.

40. Although the vast majority of foreign direct investment inflows continue to be in greenfield investments in the extractive industries, some diversification has been observed in manufacturing and services, such as infrastructure development and communications, electricity, gas and water services and business services. It is important that landlocked developing countries and development partners aim to ensure national and international regulatory environments conducive to attracting and diversifying foreign direct investment flows.

41. Remittance flows to landlocked developing countries have grown rapidly, increasing from $2.3 billion in 2001 to $20.5 billion in 2011. They are estimated to have reached $22.2 billion in 2012. They are unevenly distributed across landlocked developing countries, with two countries accounting for almost 40 per cent of the group's total. Remittances represented an equivalent of more than 20 per cent of gross domestic product for 5 landlocked developing countries and exceeded both

official development assistance and foreign direct investment inflows in 10. It is important that increased efforts be made to harness remittances for development-oriented use, such as investment, private-sector development and building of productive capacity, and to reduce transaction costs.

42. The debt burden of landlocked developing countries has declined substantially in the past decade, mainly as a result of the Heavily Indebted Poor Countries Initiative and the Multilateral Debt Relief Initiative. Debt servicing ratios have also declined in most landlocked developing countries. In total, as at the end of 2012, 14 eligible landlocked developing countries had received $20.9 billion in debt relief under the Heavily Indebted Poor Countries Initiative and an additional $19.4 billion under the Multilateral Debt Relief Initiative. Given that the former initiative is nearly completed, however, it is important to extend some form of debt relief assistance to landlocked developing countries that are experiencing high debt burdens in order to prevent them from entering into unsustainable debt situations.

43. In the context of South-South cooperation, landlocked developing countries continue to receive support from other developing countries. For example, corporations from the global South, in particular from China and India, accounted for 41 per cent of foreign direct investment inflows to landlocked developing countries in 2011. Southern providers accounted for 47 per cent of official infrastructure financing in sub-Saharan Africa from 2001 to 2008. South-South trade has expanded rapidly and developing countries now export more to the South than to the North.

44. The United Nations system and other international and regional organizations and financial institutions continue to provide assistance to landlocked developing countries and transit developing countries and have implemented specific measures.

45. International financial institutions have traditionally been large providers of funds for landlocked developing countries and will continue to play a significant role in the coming years. An important initiative in this context is the Central Asia Regional Economic Cooperation Programme, which is supported by six multilateral institutions (the Asian Development Bank, the European Bank for Reconstruction and Development, the International Monetary Fund, the Islamic Development Bank, the United Nations Development Programme (UNDP) and the World Bank). It covers 8 of the 12 Asian landlocked developing countries. Under the programme, almost $10 billion has been mobilized by the participating development banks for transport projects in landlocked developing countries since 2004. The institutions have also been active in the four Asian landlocked developing countries that are not part of the programme.

46. The Asian Development Bank is assisting landlocked developing countries by supporting transport and energy infrastructure development and trade facilitation. At the subregional level, it supports transport infrastructure development for corridors and trade facilitation initiatives (customs reforms, customs modernization, joint customs control, establishment of regional associations of freight forwarders, monitoring of corridor performance, improvement of border-crossing points and establishment of single windows) in landlocked developing countries in Asia. In 2011, transport was the Bank's largest sector. It provided $3.5 billion in loans, $55 million in technical assistance and $366 million in grant funding.

47. In Africa, the African Development Bank continues to make significant contributions to the growth of regional infrastructure. Since 2009, it has financed more than 70 multinational operations, including the construction and rehabilitation of cross-border roads and cross-border transmission lines valued at more than $3.8 billion.

48. In Latin America and the Caribbean, the Inter-American Development Bank provided $5.4 billion towards infrastructure and natural resource projects over the period 2007-2011.

49. From 2003 to 2013, the World Bank funded at least 10 projects annually that addressed infrastructure development, trade facilitation and logistics. During the financial and economic crises, lending to landlocked developing countries peaked at around $3 billion in 2009. The level of lending has recently decreased, standing at around $1.5 billion in 2012.

50. In 2012, the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States continued to advocate and raise awareness of the special needs of landlocked developing countries through various forums. In 2012 and 2013, it collaborated with the Economic Commission for Africa, the African Union and the World Bank in helping African countries to further develop and negotiate a draft intergovernmental agreement on the Trans-African Highway. The Office also assisted landlocked developing countries in understanding specific benefits derived from the United Nations Convention on the Law of the Sea. It continues to support the interim secretariat of the international think tank for the landlocked developing countries, which is located in Ulaanbaatar.

51. In 2012, the United Nations regional commissions and international, regional and subregional organizations assisted Member States in the implementation of the Almaty Programme of Action, through, among others, substantive contributions, capacity-building programmes, advisory services, support for transport infrastructure development and the promotion of legal instruments relating to trade and transport facilitation.

52. The Economic and Social Commission for Asia and the Pacific supported Member States in developing a regional strategic framework for the facilitation of international road transport that was adopted by the Ministerial Conference on Transport in March 2012. The Commission continues to implement activities to promote the future development and operationalization of the Trans-Asian Railway network. It supported the development of an intergovernmental agreement on dry ports, which was adopted in May 2013. Along with the Economic Commission for Europe, it provided capacity-building and training and developed several knowledge products on public-private partnerships, including a guidebook on public-private partnership in infrastructure. It also provided technical assistance to several landlocked developing countries on the preparation and negotiation of trade agreements. The Economic Commission for Latin America and the Caribbean commissioned a study on logistics costs in the Plurinational State of Bolivia and updated the same for Paraguay. It is preparing a study on transit policies and provision of infrastructure services in both countries.

53. UNCTAD is implementing a technical assistance project on promotion of foreign direct investment in landlocked developing countries in Africa and Asia with

a view to improving their human, institutional and regulatory capacity. In 2012, it assisted seven landlocked developing countries to strengthen their national trade facilitation capacity through the development of national trade facilitation implementation plans. On international trade, UNCTAD provided advisory and capacity-building support to trade negotiators and policymakers from landlocked developing countries; technical assistance to landlocked developing countries acceding to WTO; and demand-based assistance on national services policy reviews to help landlocked developing countries to draw maximum benefits from the services sector.

54. WTO continued to mobilize resources for Aid for Trade in 2012. It is also providing technical assistance in the areas of transport and trade facilitation and capacity-building. Implementation of the outcome of the fourth Global Review on Aid for Trade will help landlocked developing countries to connect better to value chains and reap additional benefits.

55. The United Nations Industrial Development Organization provides technical assistance to landlocked developing countries, focusing on improving infrastructure and industrial capacity and reducing trade costs in order to increase the countries' competitive edge. It provides training to landlocked developing countries in West Africa on improving quality and competitiveness and harmonizing standards. It has supported the development of hydropower and a solar mini grid in some landlocked developing countries. It is cooperating with national stakeholders to improve the business climate and reinforce human capital development through training programmes. It has established a centre for international industrial cooperation in Armenia and will establish a similar centre in Kazakhstan.

56. UNDP has been providing trade capacity-development assistance geared towards accelerating the integration of the priorities of the Almaty Programme of Action into relevant areas of work in the 14 landlocked developing countries participating in the Enhanced Integrated Framework for Trade-related Technical Assistance to Least Developed Countries. It has been providing strategic support and advice for the implementation of Aid for Trade road maps in landlocked developing countries in Europe and Asia. Several follow-up activities have been implemented at the national level, including measures aimed at strengthening the capacity of public administration authorities, establishing export promotion services aimed at farmers and increasing access to affordable finance for small and medium-sized enterprises. UNDP has also provided support to the international think tank for the landlocked developing countries.

57. In 2012, the World Customs Organization continued to provide customs capacity-building services to its members, including landlocked developing countries. It has been contributing to trade facilitation by setting standards and developing tools and instruments and providing technical assistance for their implementation. It launched an economic competitiveness package to support members in increasing economic growth and competitiveness through smooth movement of goods, conveyances and people across borders.

58. The International Trade Centre contributes to building capacity in the area of trade facilitation, in particular on the simplification of cross-border procedures and processes in some landlocked developing countries. In 2012, it provided assistance on WTO accession to three landlocked developing countries and on formulation and implementation of export strategies to nine such countries. It conducted national-

level enterprise surveys focusing on experiences with non-tariff measures as obstacles to trade in five landlocked developing countries. In addition, it is building capacity in selected landlocked developing countries with regard to improved trade information services and market research and analysis, in addition to strengthening trade-support institutions and the productive and export capacity of enterprises.

59. The International Telecommunication Union has been raising awareness of the poor state of telecommunications and encouraging landlocked developing countries to channel resources to their telecommunications sector with a view to ensuring easy access, bridging the digital divide and leveraging the power of information and communications technology and broadband as a driver for achieving the Millennium Development Goals. It has mainstreamed the Almaty Programme of Action in its resolutions. For example, in 2012, it adopted a resolution on special measures for landlocked developing countries and small island developing States for access to international optical fibre networks. It conducted workshops to build human and institutional expertise, capabilities and skills to ensure the sustainability of current and future investments in information and communications technology. It has developed several platforms and tools for sharing data, analysis and information on key regulatory issues, in addition to best practices with regard to electronic business, electronic governance, electronic banking, electronic commerce and electronic trading.

60. In 2012, the Organization for Security and Cooperation in Europe (OSCE), in collaboration with its partners, undertook capacity-building activities that included training on issues covered by the OSCE-Economic Commission for Europe *Handbook of Best Practices at Border Crossings*; training on the implementation of an authorized economic operator programme and the use of information and communications technology and non-intrusive inspection methods that benefited landlocked developing countries from Central Asia; and a round table on the role of best practices at border crossings in the implementation of the International Convention on the Harmonization of Frontier Control of Goods.

61. IRU has continued to facilitate the development of international road transport through multilateral regional instruments in Europe and Asia. It is supporting the reactivation of the TIR system in Afghanistan and has collaborated in the removal of landmines and explosive remnants of war on or adjacent to roads there. In cooperation with the World Customs Organization, it is promoting training of customs officers on the TIR system in various languages. The IRU Academy continues to focus on landlocked developing countries and, in partnership with six of its regional partners, has launched a project on the design and implementation of a driver training programme. It is promoting the Model Highway Initiative, which aims to create an exemplary section of motorway of up to 2,000 km in length using best practices.

62. The International Chamber of Commerce is assisting in the organization of the private sector track of the preparatory process for the 10-year Review Conference (see para. 78).

IV. Status of preparations for the 10-year review of the implementation of the Almaty Programme of Action

63. To guide and provide strategic direction and vision to the preparatory process for the comprehensive 10-year Review Conference of the Almaty Programme of Action, the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States has prepared a concept note and a road map outlining preparations at the global, regional and national levels. The Office has also continued its efforts to mobilize and coordinate the active involvement of all stakeholders in the preparatory activities. The preparatory process is being undertaken in three main tracks: the intergovernmental track, the United Nations inter-agency track and the private sector track.

64. In relation to the intergovernmental preparations, landlocked developing countries were invited to prepare national reports on the implementation of the Almaty Programme of Action in order to contribute to the enrichment of the outcome document of the Review Conference. As at 31 May 2013, 13 such countries had submitted reports. UNDP and the Office of the High Representative are making joint efforts to provide the necessary support to the remaining countries in preparing their reports.

65. As decided by the General Assembly, three regional preparatory meetings for the Review Conference are being convened in Africa, Europe and Asia, and Latin America, in close collaboration with the regional commissions, so as to gather crucial input relating to regional perspectives and the needs of the landlocked developing countries. The first regional review meeting, for Europe and Asia, was convened in March 2013. It was hosted by the Government of the Lao People's Democratic Republic and organized in cooperation with the Office of the High Representative, the Economic and Social Commission for Asia and the Pacific and the Economic Commission for Europe. It was attended by, among others, representatives of landlocked developing countries, transit developing countries, other Member States, major stakeholders in the Almaty Programme of Action (including the United Nations system), relevant international and regional organizations, development partners and the private sector.

66. The participants adopted the Vientiane Consensus (see E/ESCAP/69/1, annex). At its sixty-ninth session, in May 2013, the Economic and Social Commission for Asia and the Pacific noted with appreciation the adoption of the Consensus. It presents an assessment of the implementation of the Almaty Programme of Action in the region and provides forward-looking proposals and recommendations for the coming development decade. It also calls for stronger global support measures and the integration of the issues and concerns of landlocked developing countries into the global development framework.

67. At the time of preparation of the present report, the regional review meeting for Africa was to be held from 16 to 18 July 2013. The Economic Commission for Latin America and the Caribbean is finalizing the preparations for the regional review meeting for Latin America, which is to be held later in 2013.

68. The inter-agency track is dealing with the substantive preparations. Three inter-agency consultative group meetings to consult on the United Nations system-wide preparations for the Review Conference have been convened by the Office of the High Representative since February 2012. The group has agreed on a list of

thematic events to be organized before the Review Conference, the outcomes of which will form substantive input to the outcome document.

69. A number of those events have already been held successfully. The first was jointly organized by the Office of the High Representative and the Government of Kazakhstan in Almaty in September 2012. It focused on international trade, trade facilitation and Aid for Trade. At that meeting, held back to back with the Fourth Meeting of Trade Ministers of Landlocked Developing Countries, participants thoroughly assessed the achievements realized in international trade and trade facilitation. They also deliberated on future actions needed to enhance the participation of landlocked developing countries in the international trading system while further strengthening the global partnership for establishing efficient transit transport systems.

70. In March 2013, the Office of the High Representative organized a brainstorming meeting on the priorities of a new development agenda for the landlocked developing countries. It was attended by representatives of landlocked developing countries, transit developing countries and donor countries, in addition to experts from United Nations system organizations and representatives of international and regional organizations and the private sector, among others. The participants discussed the key development challenges and needs of the landlocked developing countries, shared ideas, lessons and best practices on how to tackle those challenges and identified the priorities of a new development agenda for those countries.

71. The participants suggested that the new development agenda for the landlocked developing countries must not be designed simply as a sectoral programme but must specifically take on the challenges of such countries more holistically. They further suggested that the development of infrastructure, both soft and hard, would continue to play a catalytic role in improving the connectivity of landlocked developing countries to international markets and their competitiveness. They also emphasized the need for enhanced accession to and effective implementation of relevant conventions and regional agreements, human and institutional capacity-building, increased trade through diversification of markets and export bases, value addition, greater trade in services, links with the global value chains and further market access.

72. The participants stressed that structural transformation of the economies of landlocked developing countries was key to achieving sustainable economic growth and should be included in the new development agenda. Furthermore, they recommended other priorities, such as intensifying regional integration, strengthening international support measures, enhancing the role of the private sector and addressing the vulnerability of landlocked developing countries to external shocks, climate change and desertification. They also underscored the need to strongly reflect the views and concerns of the landlocked developing countries in the discussions relating to the post-2015 development agenda.

73. The Office of the High Representative prepared a study entitled "The development economics of landlockedness: understanding the development costs of being landlocked", which was used as a background document for the meeting.

74. The Office also organized two meetings to inform Member States of the progress made in the preparatory process. On 28 and 29 May 2013, the Global

Services Forum, jointly organized by UNCTAD and the Government of China, was held in Beijing. The special needs of the landlocked developing countries were discussed and included in the outcome of the meeting.

75. On 13 June 2013, jointly with the World Bank, the Office organized an event on transport development and trade facilitation, at which participants reviewed the progress achieved and challenges experienced, making recommendations for the next development agenda of the landlocked developing countries. They noted that, although some progress had been achieved, much more needed to be done. They were deeply concerned that value addition from manufacturing and agriculture in landlocked developing countries had declined over the review period and that export concentration ratios for landlocked developing countries had increased dramatically since 2003. Furthermore, while supportive international legal instruments were available, there was limited effective accession and implementation. On what needed to be done, participants suggested improved transport asset creation and maintenance, deeper regional integration, enhanced operational performance of services, capacity enhancement of public agencies and other stakeholders and enhanced partnerships for financing. They also stressed that many of the original aims of the Almaty Programme of Action remained valid.

76. On 3 July 2013, during the high-level segment of the substantive session of 2013 of the Economic and Social Council, held in Geneva, the Office of the High Representative organized a side event on renewing global partnerships for connecting landlocked developing countries to world markets.

77. Other United Nations and international organizations, such as the United Nations Industrial Development Organization, the International Telecommunication Union, UNDP, the United Nations Convention to Combat Desertification, WTO, the United Nations Office for South-South Cooperation, the Common Fund for Commodities and OSCE, have agreed to contribute to the preparatory process by organizing thematic events focused on landlocked developing countries.

78. Preparations under the third track, the private sector, have also begun. The participation and active involvement of the private sector in the preparatory process are essential because that sector is the primary actor in trading activities in landlocked developing countries. The Office of the High Representative will ensure that private-sector representatives are involved in all stages of the preparatory process. The preparation and implementation of private-sector activities for the Review Conference will be overseen and directed by a steering committee that will act as a platform for building consensus among and a common position of the private sector, represent the sector throughout the preparatory process and present the sector's input to the zero draft of the outcome document of the Review Conference during the meetings of the intergovernmental preparatory committee in 2014. The steering committee will consist of members of chambers of commerce and business representatives from landlocked and transit developing countries, the Office of the High Representative, the International Chamber of Commerce and key United Nations system and other organizations. The International Chamber of Commerce is leading the coordination of the committee.

79. The Office of the High Representative has prepared a project document to mobilize resources to support the substantive preparations for the Review Conference and to facilitate the participation of landlocked developing countries. The High Representative continues to reach out to donors to contribute to the trust

fund established by the Secretary-General to facilitate the implementation of and follow-up to the Almaty International Ministerial Conference.

V. Conclusions and recommendations

80. **Lack of access to the sea, the long distance from major international markets, cumbersome transit procedures and inadequate transport infrastructure continue to be the main factors behind the high costs of external trade transactions for landlocked developing countries. The structural vulnerabilities of these countries expose them to the severe negative impacts of the current global economic crisis, food insecurity, climate change, desertification and land degradation. The countries have limited productive capacity and resilience to shocks. Their value addition from manufacturing and agriculture has declined over the review period and their export concentration ratios have increased dramatically.**

81. **During the reporting period, landlocked and transit developing countries continued their efforts to implement the specific actions called for in the Almaty Programme of Action, with the support of donors, the United Nations system and other development partners. Significant gaps remain, however.**

82. **The Review Conference scheduled for 2014 will undertake a comprehensive appraisal of the implementation of the Almaty Programme of Action and build a development agenda that can enable landlocked developing countries better to integrate into the global trading system and move closer to achieving the internationally agreed development goals in the coming decade. The Review Conference needs to focus on ambitious and practical outcomes aimed at reducing the costs of trade through the establishment of efficient transit transport systems, stimulating industrialization, strengthening productive capacity, diversifying exports and strengthening resilience to external and internal shocks. The international community should accord particular importance to the process and actively participate in the Review Conference.**

83. **Further efforts are required to reduce the high transport and trade transaction costs for landlocked developing countries by, among other things, deepening regional cooperation and integration. The international community is called upon to assist landlocked and transit developing countries to establish efficient transit transport systems by providing increased financial support to transit transport, ancillary roadside, energy and information and communications technology infrastructure and trade facilitation projects. Initiatives that have proved successful should be replicated and fully funded. Landlocked developing countries and transit countries are encouraged to share best practices in transit policies, including the development of relevant guidelines.**

84. **Landlocked developing countries should ensure the simplification, harmonization and transparency of legal and administrative regulations and requirements associated with transit transport, customs and border management, including by becoming parties to existing relevant international, regional and subregional conventions and agreements and implementing them at the national level. The international community should continue to provide technical, financial and capacity-building assistance to support such efforts.**

85. **Regional integration holds great potential for reducing trade transaction costs for landlocked developing countries and improving their economic development. Landlocked developing countries and their regional and global development partners should therefore strive to enhance connectivity and participation in regional value chains in order to maximize the benefits of globalization.**

86. **Multilateral and regional financial and development institutions are invited to ensure a growing level of investment in trade diversification, infrastructure development and regional connectivity in landlocked developing countries to promote their sustainable development.**

87. **To reduce their vulnerability to external shocks, landlocked developing countries, with the assistance of the international community, should adopt policies aimed at diversifying their production and export base towards new markets, value-adding products and services and should join global and regional value chains.**

88. **Developed countries and advanced developing countries should ensure enhanced and predictable market access for products from landlocked developing countries, along with common, simple, predictable and transparent rules of origin, and consider establishing a preferential market access scheme for exports from landlocked developing countries.**

89. **The international community should provide financial, technological and capacity-building assistance to enable landlocked developing countries to take on the challenges caused by climate change, land degradation and desertification, in particular by putting in place effective adaptation strategies as a priority.**

90. **The Economic Commission for Africa, the African Union Commission, the World Bank, the African Development Bank and the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States are encouraged to further support efforts to develop and conclude an intergovernmental agreement on the Trans-African Highway.**

91. **The international community should strive for an early agreement on trade facilitation in the context of the Doha Round of trade negotiations under WTO. Landlocked developing countries are invited to play a more active role in the negotiations and to ensure that their specific needs are reflected, supported by assistance from development partners.**

92. **Development partners should substantially increase their provision of financial and technical support to landlocked developing countries, including through official development assistance and Aid for Trade, in order to assist such countries to address their supply-side constraints.**

93. **The international community should support and encourage foreign direct investment flows to landlocked developing countries, including through preferential financing programmes, export credits, risk management tools, co-financing, concessional loans, venture capital and other lending instruments and services. Landlocked developing countries should seek to create a stable, predictable and enabling investment environment in order to attract increased and more diversified foreign direct investment.**

94. **Additional financial resources, among others, are needed to ensure the full participation of the landlocked developing countries, least-developed transit countries and the private sector in the preparatory process and the Review Conference itself. Donor countries and international financial and development institutions are invited to make voluntary contributions to the trust fund established to facilitate the implementation of and follow-up to the Almaty International Ministerial Conference.**

95. **The United Nations system and relevant international organizations should provide the necessary support for and actively contribute to the preparatory process and the Review Conference itself, especially through pre-conference and parallel events on topics of great relevance to the landlocked developing countries. There is also a need to step up public information efforts and other appropriate initiatives in order to enhance awareness of the Review Conference.**

Annex

Statistical tables

Table 1
Gross domestic product and rate of growth

	Constant 2005 prices (millions of United States dollars)			*Per capita (constant 2005 United States dollars)*	*Gross domestic product*		
					Average annual rate of growth (percentage)		
Landlocked developing countries	*2003*	*2010*	*2011*	*2011*	*2003*	*2010*	*2011*
Afghanistan	5 887	10 393	10 989	340	8.2	3.2	5.7
Armenia	3 896	5 922	6 200	2 000	14.0	2.2	4.7
Azerbaijan	9 510	28 305	28 331	3 044	11.2	5.0	0.1
Bhutan	722	1 288	1 364	1 847	7.6	11.8	5.9
Bolivia (Plurinational State of)	8 778	11 954	12 572	1 246	2.7	4.1	5.2
Botswana	9 513	11 848	12 526	6 168	6.3	7.0	5.7
Burkina Faso	4 812	7 105	7 466	440	7.8	7.9	5.1
Burundi	1 060	1 530	1 595	186	(1.2)	3.9	4.2
Central African Republic	1 283	1 554	1 605	358	(7.1)	3.0	3.3
Chad	4 072	7 053	7 307	634	14.3	14.6	3.6
Ethiopia	9 674	20 590	22 892	270	(2.2)	12.6	11.2
Kazakhstan	47 518	76 978	82 751	5 106	9.3	7.3	7.5
Kyrgyzstan	2 303	3 056	3 230	599	7.0	(0.5)	5.7
Lao People's Democratic Republic	2 378	3 988	4 309	685	6.2	8.1	8.0
Lesotho	1 302	1 711	1 783	813	4.7	5.6	4.2
Malawi	2 303	3 980	4 161	271	(3.8)	6.7	4.5
Mali	5 055	6 989	7 176	453	7.6	5.8	2.7
Mongolia	2 127	3 454	4 050	1 446	7.0	6.4	17.3
Nepal	7 650	10 299	10 699	351	3.9	4.8	3.9
Niger	3 162	4 328	4 427	275	3.4	8.2	2.3
Paraguay	6 977	9 746	10 116	1 540	3.8	15.0	3.8
Republic of Moldova	2 589	3 502	3 726	1 051	6.6	7.1	6.4
Rwanda	2 199	3 835	4 164	381	2.1	7.2	8.6
Swaziland	2 451	2 917	2 955	2 456	2.2	1.9	1.3

Landlocked developing countries	Constant 2005 prices (millions of United States dollars) 2003	2010	2011	Per capita (constant 2005 United States dollars) 2011	Gross domestic product: Average annual rate of growth (percentage) 2003	2010	2011
Tajikistan	1 965	3 167	3 401	487	11.1	6.5	7.4
The former Yugoslav Republic of Macedonia	5 48.	7 064	7 278	3 526	2.8	1.8	3.0
Turkmenistan	11 753	23 082	26 475	5 186	3.3	9.2	14.7
Uganda	8 626	14 203	14 788	429	6.2	6.3	4.1
Uzbekistan	12 492	21 624	23 419	844	4.4	8.5	8.3
Zambia	6 508	9 890	10 543	782	4.3	7.1	6.6
Zimbabwe	732	7 085	7 817	613	(7.5)	9.6	10.3
Average	**16 311**	**28 784**	**31 028**	**1 414**	**4.7**	**6.7**	**5.9**

Source: Statistics Division.

Table 2
Official development assistance receipts

Landlocked developing countries	Net official development assistance receipts (millions of United States dollars, 2011 constant prices) 2003	2010	2011	Official development assistance/gross national income (percentage) 2011	Aid for Trade disbursements (millions of United States dollars, 2011 constant prices) 2007	2011
Afghanistan	2 164	6 743	6 711	..	958	1 590
Armenia	337	362	378	3.5	95	124
Azerbaijan	400	166	292	0.5	88	158
Bhutan	110	141	144	9.0	30	70
Bolivia (Plurinational State of)	1 263	719	729	3.1	146	217
Botswana	37	163	121	0.7	15	16
Burkina Faso	760	1 134	996	9.8	264	252
Burundi	316	673	579	24.8	100	122
Central African Republic	71	280	272	12.6	30	93
Chad	352	514	468	5.5	35	59
Ethiopia	2 120	3 723	3 532	11.2	522	650
Kazakhstan	385	231	213	0.1	111	37
Kyrgyzstan	268	398	523	9.3	56	131

Landlocked developing countries	*Net official development assistance receipts (millions of United States dollars, 2011 constant prices)*			*Official development assistance/gross national income (percentage)*	*Aid for Trade disbursements (millions of United States dollars, 2011 constant prices)*	
	2003	*2010*	*2011*	*2011*	*2007*	*2011*
Lao People's Democratic Republic	422	448	397	5.2	150	157
Lesotho	106	270	259	8.9	19	38
Malawi	703	1 090	804	14.9	122	179
Mali	779	1 157	1 270	12.6	323	479
Mongolia	344	322	340	4.3	72	155
Nepal	642	880	892	4.7	127	278
Niger	670	792	646	10.9	103	107
Paraguay	69	110	94	0.4	28	27
Republic of Moldova	160	501	469	6.2	46	114
Rwanda	458	1 097	1 262	20.0	99	304
Swaziland	55	97	125	3.2	11	27
Tajikistan	201	465	355	5.5	53	129
The former Yugoslav Republic of Macedonia	362	198	193	1.9	46	42
Turkmenistan	38	46	38	0.2	1	3
Uganda	1 347	1 827	1 582	9.6	539	461
Uzbekistan	243	244	215	0.5	28	73
Zambia	1 059	970	1 046	5.9	118	178
Zimbabwe	248	782	716	7.4	20	91
Landlocked developing countries	**16 489**	**26 544**	**25 661**	**4.6**	**4 355**	**6 364**

Source: Organization for Economic Cooperation and Development.

Table 3

External debt, debt service and debt relief under the Heavily Indebted Poor Countries Initiative and the Multilateral Debt Relief Initiative

Landlocked developing countries	*Total external debt (percentage of gross national income)*			*Total debt service (percentage of exports of goods, services and income)*			*Debt relief under the Heavily Indebted Poor Countries Initiative (millions of United States dollars)*	*Debt relief under the Multilateral Debt Relief Initiative (millions of United States dollars)*
	2003	*2010*	*2011*	*2003*	*2010*	*2011*	*2012*	*2012*
Afghanistan	..	16.0	..	..	0.2	..	1 280	39
Armenia	68.7	64.3	68.3	11.0	33.4	25.4	–	–
Azerbaijan	28.4	14.6	14.9	7.1	1.4	4.9	–	–
Bhutan	83.9	63.9	65.0	..	13.5	11.1	–	–
Bolivia (Plurinational State of)	75.3	32.2	27.6	21.4	9.6	4.9	2 060	2 829
Botswana	7.1	12.2	13.8	1.2	1.4	..	–	–
Burkina Faso	40.9	24.7	23.8	12.0	2.5	..	930	1 230
Burundi	173.5	31.6	26.9	64.2	2.1	3.4	1 366	108
Central African Republic	96.0	29.3	26.5	..	..	..	804	306
Chad	67.6	23.1	21.4	..	..	..	260	–
Ethiopia	86.1	24.8	27.2	7.3	3.9	6.1	3 275	3 309
Kazakhstan	79.9	91.9	77.9	34.8	58.3	34.6	–	–
Kyrgyzstan	115.7	..	..	21.9	22.3	12.0	–	–
Lao People's Democratic Republic	122.4	84.2	80.3	21.9	13.2	11.5	–	–
Lesotho	58.9	28.7	27.1	5.5	2.1	2.0	–	–
Malawi	130.6	21.1	22.3	6.7	1.7	1.3	1 628	1 596
Mali	73.2	27.4	29.1	6.6	2.5	..	895	2 009
Mongolia	97.5	44.4	32.7	34.1	5.0	2.1	–	–
Nepal	50.2	23.5	20.8	10.2	10.5	9.5	–	–
Niger	78.7	23.6	23.7	8.7	2.0	..	1 190	1 074
Paraguay	58.6	28.3	25.7	12.3	4.5	3.6	–	–
Republic of Moldova	95.4	76.4	72.0	11.5	14.4	12.8	–	–
Rwanda	85.7	16.4	17.5	15.3	2.4	2.1	1 316	519
Swaziland	20.8	19.9	15.5	1.3	1.9	..	–	–
Tajikistan	86.7	55.3	51.6	8.4	85.0	49.1	–	100
The former Yugoslav Republic of Macedonia	40.3	66.4	62.8	13.5	17.1	18.9	–	–

Landlocked developing countries	Total external debt (percentage of gross national income)			Total debt service (percentage of exports of goods, services and income)			Debt relief under the Heavily Indebted Poor Countries Initiative (millions of United States dollars)	Debt relief under the Multilateral Debt Relief Initiative (millions of United States dollars)
	2003	2010	2011	2003	2010	2011	2012	2012
Turkmenistan	31.3	2.9	2.0	..	..	..	–	–
Uganda	73.4	19.3	23.5	9.8	1.8	1.7	1 950	3 524
Uzbekistan	53.0	19.1	17.8	..	..	..	–	–
Zambia	162.5	30.8	24.7	43.5	1.9	2.1	3 900	2 770
Zimbabwe	81.2	80.6	64.8	..	..	..	–	–
Landlocked developing countries	**65.7**	**44.5**	**39.9**	**23.1**	**27.5**	**20.9**	**20 854**	**19 413**

Source: World Bank and Statistics Division.

Table 4
International merchandise trade, exports and imports

Landlocked developing countries	Merchandise trade							
	Total exports (millions of United States dollars)		Total imports (millions of United States dollars)		Percentage of world exports		Terms of trade index (2000=100)	
	2003	2011	2003	2011	2003	2011	2003	2012
Afghanistan	144	376	2 101	6 390	0.00	0.00	111.8	139.1
Armenia	686	1 334	1 280	4 145	0.01	0.01	98.6	117.6
Azerbaijan	2 592	34 494	2 626	10 167	0.03	0.19	96.1	207.7
Bhutan	133	675	249	1 052	0.00	0.00	110.1	134.3
Bolivia (Plurinational State of)	1 598	8 332	1 616	7 664	0.02	0.05	98.5	179.1
Botswana	2 810	5 882	2 448	7 272	0.04	0.03	95.2	85.0
Burkina Faso	321	2 352	925	2 406	0.00	0.01	110.4	126.9
Burundi	38	123	157	752	0.00	0.00	89.6	149.1
Central African Republic	128	190	118	310	0.00	0.00	99.5	68.8
Chad	601	4 600	790	2 700	0.01	0.03	99.7	229.4
Ethiopia	496	2 875	2 686	8 896	0.01	0.02	96.6	130.6
Kazakhstan	12 927	87 603	8 409	37 056	0.17	0.48	100.7	236.7
Kyrgyzstan	582	1 972	717	4 261	0.01	0.01	110.6	108.3
Lao People's Democratic Republic	335	2 216	462	2 398	0.00	0.01	100.7	109.4

Landlocked developing countries	Merchandise trade: Total exports (millions of United States dollars) 2003	Total exports (millions of United States dollars) 2011	Total imports (millions of United States dollars) 2003	Total imports (millions of United States dollars) 2011	Percentage of world exports 2003	Percentage of world exports 2011	Terms of trade index (2000=100) 2003	Terms of trade index (2000=100) 2012
Lesotho	476	1 172	1 121	2 500	0.01	0.01	96.3	77.7
Malawi	525	1 425	786	2 428	0.01	0.01	87.1	95.9
Mali	928	2 391	1 271	3 390	0.01	0.01	121.0	172.1
Mongolia	616	4 818	801	6 598	0.01	0.03	104.8	206.1
Nepal	662	919	1 754	5 774	0.01	0.01	97.2	77.7
Niger	352	1 250	622	2 700	0.00	0.01	102.8	169.0
Paraguay	1 242	7 764	2 228	12 316	0.02	0.04	101.4	110.5
Republic of Moldova	790	2 217	1 399	5 191	0.01	0.01	102.1	101.5
Rwanda	63	464	259	1 776	0.00	0.00	99.4	214.9
Swaziland	1 638	1 910	1 519	1 950	0.02	0.01	102.1	110.1
Tajikistan	797	1 257	881	3 206	0.01	0.01	98.8	99.3
The former Yugoslav Republic of Macedonia	1 367	4 455	2 306	7 007	0.02	0.02	96.6	88.3
Turkmenistan	3 632	13 000	2 512	7 400	0.05	0.07	100.8	239.1
Uganda	532	2 159	1 375	5 631	0.01	0.01	94.7	110.0
Uzbekistan	3 189	13 254	2 662	9 953	0.04	0.07	104.2	171.8
Zambia	980	9 001	1 574	7 178	0.01	0.05	94.4	183.1
Zimbabwe	1 670	3 512	..	4 400	0.02	0.02	97.5	105.0
Landlocked developing countries	**42 848**	**223 994**	**49 362**	**184 868**	**0.56**	**1.22**	**101.1**	**187.3**
Transit developing countries	**951 738**	**3 742 802**	**896 839**	**3 710 191**	**12.55**	**20.46**	..	..

Source: United Nations Conference on Trade and Development.

Table 5
Trading across borders

Landlocked developing countries	*Number of documents required for export*	*Transit time for exports (days)*	*Cost to export (United States dollars per container)*	*Number of documents required for import*	*Transit time for imports (days)*	*Cost to import (United States dollars per container)*
Afghanistan	10	74	3 545	10	77	3 830
Armenia	5	13	1 815	8	18	2 195
Azerbaijan	8	38	3 430	10	38	3 490
Bhutan	9	38	2 230	12	38	2 330
Bolivia (Plurinational State of)	8	19	1 425	7	23	1 747
Botswana	6	27	2 945	7	37	3 445
Burkina Faso	10	41	2 412	10	47	4 030
Burundi	10	32	2 965	11	46	5 005
Central African Republic	9	54	5 491	17	62	5 554
Chad	8	75	5 902	11	101	8 525
Ethiopia	7	42	2 160	9	44	2 660
Kazakhstan	9	81	4 685	12	69	4 665
Kyrgyzstan	8	63	4 160	10	75	4 700
Lao People's Democratic Republic	10	26	2 140	10	26	2 125
Lesotho	7	31	1 695	7	35	1 945
Malawi	10	34	2 175	9	43	2 870
Mali	6	26	2 202	9	31	3 067
Mongolia	10	49	2 555	11	50	2 710
Nepal	11	41	1 975	11	38	2 095
Niger	8	59	3 676	11	64	3 711
Paraguay	8	33	1 440	10	33	1 750
Republic of Moldova	7	32	1 545	7	35	1 870
Rwanda	8	29	3 245	8	31	4 990
Swaziland	8	18	1 880	8	27	2 085
Tajikistan	11	71	8 450	11	72	9 800
The former Yugoslav Republic of Macedonia	6	12	1 376	6	11	1 380
Uganda	7	33	3 050	9	33	3 215
Uzbekistan	13	80	4 585	14	99	4 750
Zambia	6	44	2 765	8	56	3 560

Landlocked developing countries	*Number of documents required for export*	*Transit time for exports (days)*	*Cost to export (United States dollars per container)*	*Number of documents required for import*	*Transit time for imports (days)*	*Cost to import (United States dollars per container)*
Zimbabwe	8	53	3 280	8	73	5 200
Average landlocked developing countries	**8**	**42**	**3 040**	**10**	**48**	**3 643**
Average transit developing countries	**8**	**23**	**1 268**	**8**	**27**	**1 567**

Source: World Bank, *Doing Business 2013: Smarter Regulations for Small and Medium-Size Enterprises.*

Table 6
Selected telecommunication indicators

	Telephone lines and cellular subscribers per 100 population				*Internet users per 100 population*
	Main lines		*Cellular*		
Landlocked developing countries	*2003*	*2011*	*2003*	*2011*	*2011*
Afghanistan	0.1	0.0	0.8	54.3	4.6
Armenia	18.4	18.6	3.7	103.6	..
Azerbaijan	11.2	18.1	12.6	108.7	50.8
Bhutan	3.8	3.7	0.4	65.6	21.0
Bolivia (Plurinational State of)	6.9	8.7	14.5	82.8	30.0
Botswana	7.2	7.4	24.3	142.8	7.0
Burkina Faso	0.5	0.8	1.8	45.3	3.0
Burundi	0.3	..	0.9	14.5	1.1
Central African Republic	0.2	0.1	1.0	25.0	2.2
Chad	0.1	0.3	0.7	31.8	1.9
Ethiopia	0.6	1.0	0.1	16.7	1.1
Kazakhstan	14.9	26.1	8.9	142.5	44.0
Kyrgyzstan	7.9	8.9	2.8	104.8	19.6
Lao People's Democratic Republic	1.2	1.7	2.0	87.2	9.0
Lesotho	1.7	1.6	6.2	47.9	4.2
Malawi	0.7	1.1	1.1	25.1	3.3
Mali	0.5	0.7	2.0	68.3	2.0
Mongolia	5.6	6.7	12.8	105.1	20.0
Nepal	1.4	2.8	0.3	43.8	9.0

Landlocked developing countries	Telephone lines and cellular subscribers per 100 population				Internet users per 100 population
	Main lines		Cellular		
	2003	2011	2003	2011	2011
Niger	0.2	0.6	0.7	27.0	1.3
Paraguay	4.9	5.6	31.2	99.4	23.9
Republic of Moldova	20.3	33.3	12.2	104.8	37.8
Rwanda	0.3	0.4	1.5	40.6	7.0
Swaziland	4.2	4.4	7.8	63.7	20.4
Tajikistan	3.9	5.4	0.8	90.6	13.0
The former Yugoslav Republic of Macedonia	25.9	20.0	38.3	109.4	56.7
Turkmenistan	8.1	10.7	0.2	68.8	5.0
Uganda	0.2	1.3	2.9	48.4	13.0
Uzbekistan	6.7	6.9	1.3	91.6	28.6
Zambia	0.8	0.6	2.2	60.6	11.[illegible]
Zimbabwe	2.4	2.8	2.9	72.1	15.7
Average landlocked developing countries	**3.0**	**3.9**	**3.1**	**54.5**	**11.3**

Source: World Bank.

Table 7
Foreign direct investment net inflows
(Millions of United States dollars)

Landlocked developing countries	2003	2011	2012
Afghanistan	58	83	94
Armenia	121	525	489
Azerbaijan	3 285	1 467	2 005
Bhutan	3	10	16
Bolivia (Plurinational State of)	197	859	1 060
Botswana	418	414	293
Burkina Faso	29	42	40
Burundi	–	3	1
Central African Republic	11	37	71
Chad	713	282	323

Landlocked developing countries	*2003*	*2011*	*2012*
Ethiopia	465	627	970
Kazakhstan	2 092	13 903	14 022
Kyrgyzstan	46	694	372
Lao People's Democratic Republic	19	301	294
Lesotho	44	132	172
Malawi	66	129	129
Mali	132	556	310
Mongolia	132	4 715	4 452
Nepal	15	95	92
Niger	11	1 066	793
Paraguay	25	215	320
Republic of Moldova	74	281	159
Rwanda	3	106	160
Swaziland	(61)	93	90
Tajikistan	32	11	290
The former Yugoslav Republic of Macedonia	113	468	135
Turkmenistan	226	3 399	3 159
Uganda	202	894	1 721
Uzbekistan	83	1 467	1 094
Zambia	347	1 108	1 066
Zimbabwe	4	387	400
Landlocked developing countries	**8 904**	**34 369**	**34 592**

Source: United Nations Conference on Trade and Development.

Table 8
Selected social development indicators

Landlocked developing countries	*Prevalence of undernourishment (percentage of population)*		*Human development index*		*Mortality rate, under-5 (per 1,000 live births)*		*Female to male labour force participation ratio*		*Percentage of women in national parliament*	
	2008	*2011*	*2005*	*2012*	*2003*	*2011*	*2005*	*2011*	*2003*	*2012*
Afghanistan	..	..	46.6	49.1	125.9	101.1	0.17	0.20	..	27.7
Armenia	5.0	5.0	73.2	74.4	25.7	17.5	0.75	0.70	3.1	8.4
Azerbaijan	5.0	5.0	69.0	70.9	61.0	44.7	0.87	0.90	10.5	16.0
Bhutan	..	..	64.8	67.6	77.7	53.7	0.82	0.86	9.3	8.5
Bolivia (Plurinational State of)	27.5	24.1	64.7	66.9	71.1	50.6	0.75	0.79	18.5	25.4
Botswana	31.9	27.9	50.6	53.0	72.1	25.9	0.88	0.88	17.0	7.9
Burkina Faso	24.4	25.9	52.5	55.9	171.1	146.4	0.85	0.86	11.7	15.3
Burundi	72.4	73.4	47.8	50.9	158.3	139.1	1.02	1.02	18.4	30.5
Central African Republic	32.6	30.0	44.4	49.1	170.7	163.5	0.84	0.85	7.3	12.5
Chad	36.4	33.4	48.1	49.9	183.5	169.0	0.81	0.80	5.8	12.8
Ethiopia	43.8	40.2	55.2	59.7	118.2	77.0	0.86	0.87	7.7	27.8
Kazakhstan	5.0	5.0	65.2	67.4	37.9	28.3	0.86	0.86	10.4	24.3
Kyrgyzstan	8.6	6.4	66.6	68.0	41.8	30.6	0.71	0.71	10.0	23.3
Lao People's Democratic Republic	29.4	27.8	64.5	67.8	67.6	41.9	0.97	0.96	22.9	25.0
Lesotho	17.0	16.6	44.3	48.7	120.3	86.0	0.82	0.80	11.7	24.2
Malawi	23.0	23.1	49.0	54.8	142.6	82.6	0.92	1.04	9.3	22.3
Mali	9.5	7.9	49.0	51.9	203.0	175.6	0.54	0.53	10.2	10.2
Mongolia	27.6	24.2	66.0	68.8	52.2	30.7	0.85	0.83	10.5	3.9
Nepal	20.1	18.0	65.6	69.1	71.6	48.0	0.91	0.92	..	33.2
Niger	13.6	12.6	51.7	55.1	185.7	124.5	0.43	0.44	1.2	13.3
Paraguay	16.8	25.5	71.2	72.7	30.8	22.4	0.64	0.67	2.5	12.5
Republic of Moldova	5.0	5.0	67.9	69.6	21.1	16.0	0.92	0.85	12.9	19.8
Rwanda	34.2	28.9	52.3	55.7	134.2	54.1	1.02	1.01	25.7	56.3
Swaziland	27.3	27.0	45.9	48.9	125.0	103.6	0.61	0.62	3.1	13.6
Tajikistan	36.7	31.7	65.4	67.8	85.0	63.3	0.77	0.76	12.7	19.0
The former Yugoslav Republic of Macedonia	5.0	5.0	73.8	75.0	14.3	9.6	0.66	0.62	18.3	30.9
Turkmenistan	5.0	5.0	64.4	65.2	65.5	52.5	0.63	0.61	26.0	16.8

Landlocked developing countries	Prevalence of undernourishment (percentage of population)		Human development index		Mortality rate, under-5 (per 1,000 live births)		Female to male labour force participation ratio		Percentage of women in national parliament	
	2008	2011	2005	2012	2003	2011	2005	2011	2003	2012
Uganda	31.0	34.6	50.2	54.5	124.9	89.9	0.96	0.96	24.7	35.0
Uzbekistan	7.9	6.1	67.2	68.6	57.1	48.6	0.66	0.64	7.2	22.0
Zambia	47.5	47.4	44.4	49.4	138.5	82.9	0.86	0.86	12.0	11.5
Zimbabwe	33.9	32.8	44.0	52.7	101.3	67.1	0.92	0.93	10.0	15.0
Average landlocked developing countries	**23.6**	**22.6**	**57.6**	**60.6**	**109.5**	**80.9**	**0.78**	**0.79**	**12.1**	**20.2**
Average transit developing countries	**17.6**	**16.8**	**61.2**	**63.8**	**58.8**	**43.7**	**0.73**	**0.74**	**14.03**	**17.4**

Source: Statistics Division.

Table 9
Manufacturing value addition and inflation

Landlocked developing countries	Manufacturing value addition (percentage of gross domestic product)			Inflation, average consumer prices (percentage change)	
	2003	2010	2011	2011	2012
Afghanistan	17.1	12.9	13.1	10.4	4.4
Armenia	16.8	10.7	10.6	7.7	2.5
Azerbaijan	9.4	5.8	..	7.9	1.1
Bhutan	7.4	9.1	9.3	8.9	9.7
Bolivia (Plurinational State of)	14.7	13.9	13.3	9.9	4.5
Botswana	4.1	4.0	4.2	8.5	7.5
Burkina Faso	14.3	7.8	6.7	2.8	3.6
Burundi	14.5	10.5	10.0	14.9	11.8
Central African Republic	7.3	..	..	1.2	5.2
Chad	8.0	..	..	1.9	7.7
Ethiopia	5.7	3.9	3.6	33.2	22.8
Kazakhstan	15.3	13.1	13.5	8.3	5.1
Kyrgyzstan	14.6	18.9	20.6	16.6	2.8
Lao People's Democratic Republic	8.7	7.5	7.6	7.6	4.3
Lesotho	21.2	12.8	11.7	5.6	5.3

Landlocked developing countries	*Manufacturing value addition (percentage of gross domestic product)*			*Inflation, average consumer prices (percentage change)*	
	2003	*2010*	*2011*	*2011*	*2012*
Malawi	11.9	12.0	11.9	7.6	3.3
Mali	2.8	..	..	3.1	21.3
Mongolia	7.5	7.3	7.1	7.7	5.3
Nepal	8.4	6.5	6.4	9.6	4.7
Niger	6.3	..	..	2.9	15.0
Paraguay	15.0	12.2	11.9	8.3	8.3
Republic of Moldova	18.3	12.7	13.5	7.7	0.5
Rwanda	6.8	6.6	6.6	5.7	3.8
Swaziland	39.9	42.6	42.2	6.1	6.3
Tajikistan	31.3	9.5	8.3	12.4	8.9
The former Yugoslav Republic of Macedonia	17.5	14.4	13.9	3.9	5.8
Turkmenistan	18.6	..	..	5.3	4.9
Uganda	7.5	8.3	8.2	18.7	14.1
Uzbekistan	9.2	9.0	8.6	12.8	12.1
Zambia	12.0	8.9	8.4	8.7	6.6
Zimbabwe	13.6	17.9	17.1	3.5	3.7
Average landlocked developing countries	**13.1**	**11.5**	**11.5**	**10.0**	**7.3**
Average transit developing countries	**14.1**	**14.1**	**14.6**	**7.2**	**5.8**

Source: World Bank, International Monetary Fund.